



Executive Advisory Group FAMET Recommended Funding Allocation Model

November 21, 2014



COLORADO
Department of
Higher Education

EAG Overview

PURPOSE:

HB 14-1319 requires the Colorado Commission on Higher Education (CCHE) to engage “interested parties” in the conversation that will ultimately lead to a new base-funding allocation formula for higher education. The Executive Advisory Group (EAG) is being established to bring diverse expertise into the conversation and serve as thought partners with CCHE.

The EAG will be responsible for synthesizing the information gathered (1) through the public education and outreach process of this Project and (2) from the Subject Matter Expert Teams, in order to identify choices and make recommendations to CCHE on how to create a funding mechanism that: is transparent and understandable for Colorado taxpayers; provides greater tuition predictability, with a goal of ensuring both accessible and affordable higher education for residents; and, harmonizes with the statewide goals for higher education as articulated in the CCHE’s Master Plan - *Colorado Competes, A Complete Agenda for Higher Education*.

PROJECT PRINCIPLES

HB 14-1319 requires the Colorado Commission on Higher Education (CCHE) to develop a new base funding formula to allocate state general fund dollars among the State's public institutions of higher education.

In order to ensure Colorado higher education is of value, affordable, accessible, and high quality; and, seen as a public good, all decisions regarding the development of this new funding formula should:

Align project outcomes with Master Plan goals, which are:

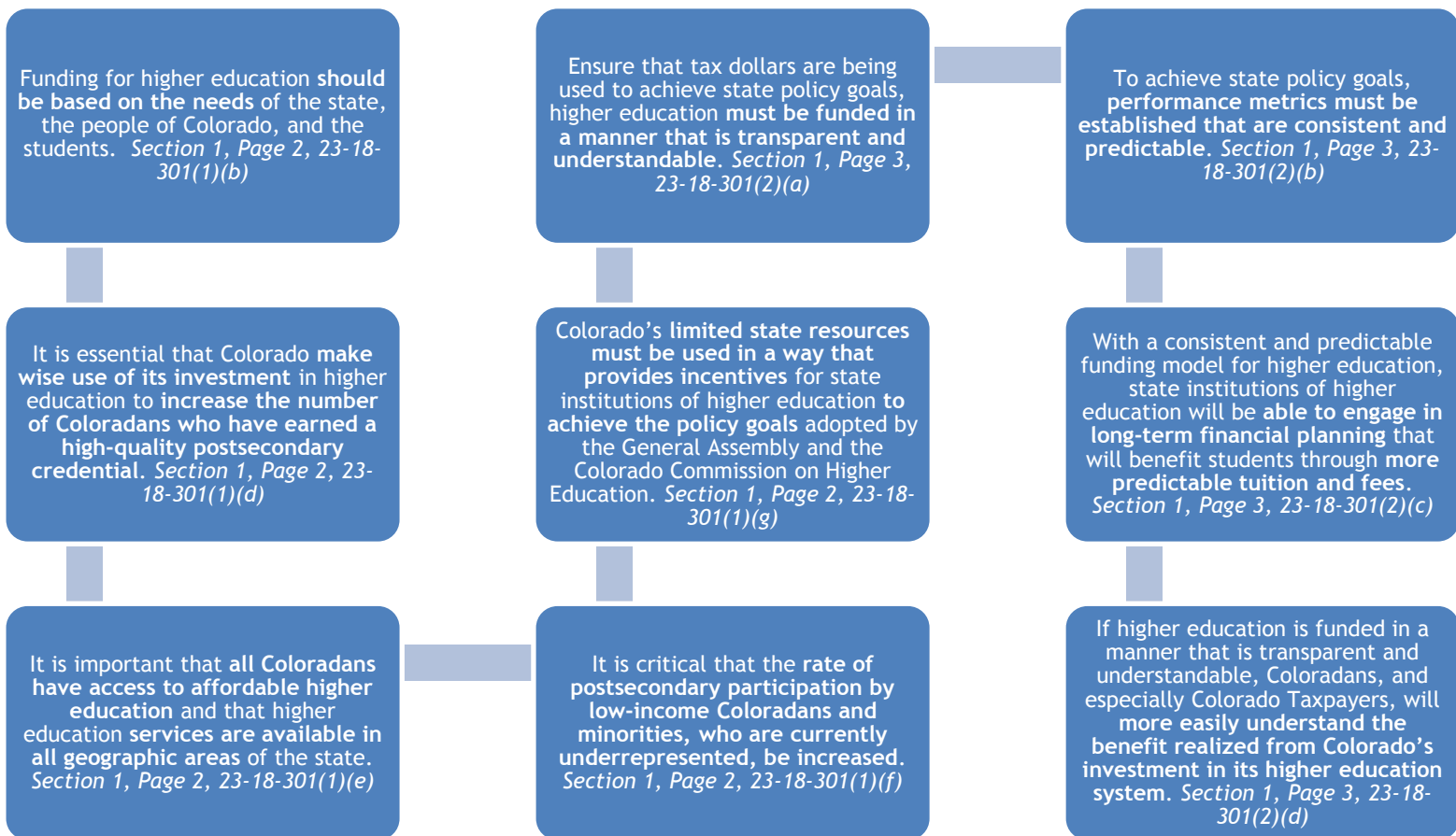
- Increase the attainment of high quality postsecondary credentials across the academic disciplines and throughout Colorado by at least 1,000 new certificates and degrees each year to meet anticipated workforce demands by 2015.
- Improve student success through better outcomes in basic skills education, enhanced student support services and reduced average time to credential for all students.
- Enhance access to ensure that the system reflects the changing demographics of the state while reducing attainment gaps among students from underserved communities.
- Develop resources, through increases in state funding, that will allow public institutions of higher education to meet projected enrollment demands while promoting affordability, accessibility and efficiency.

Promote clarity, simplicity and predictability in the allocation of state funds to public institutions of higher education.

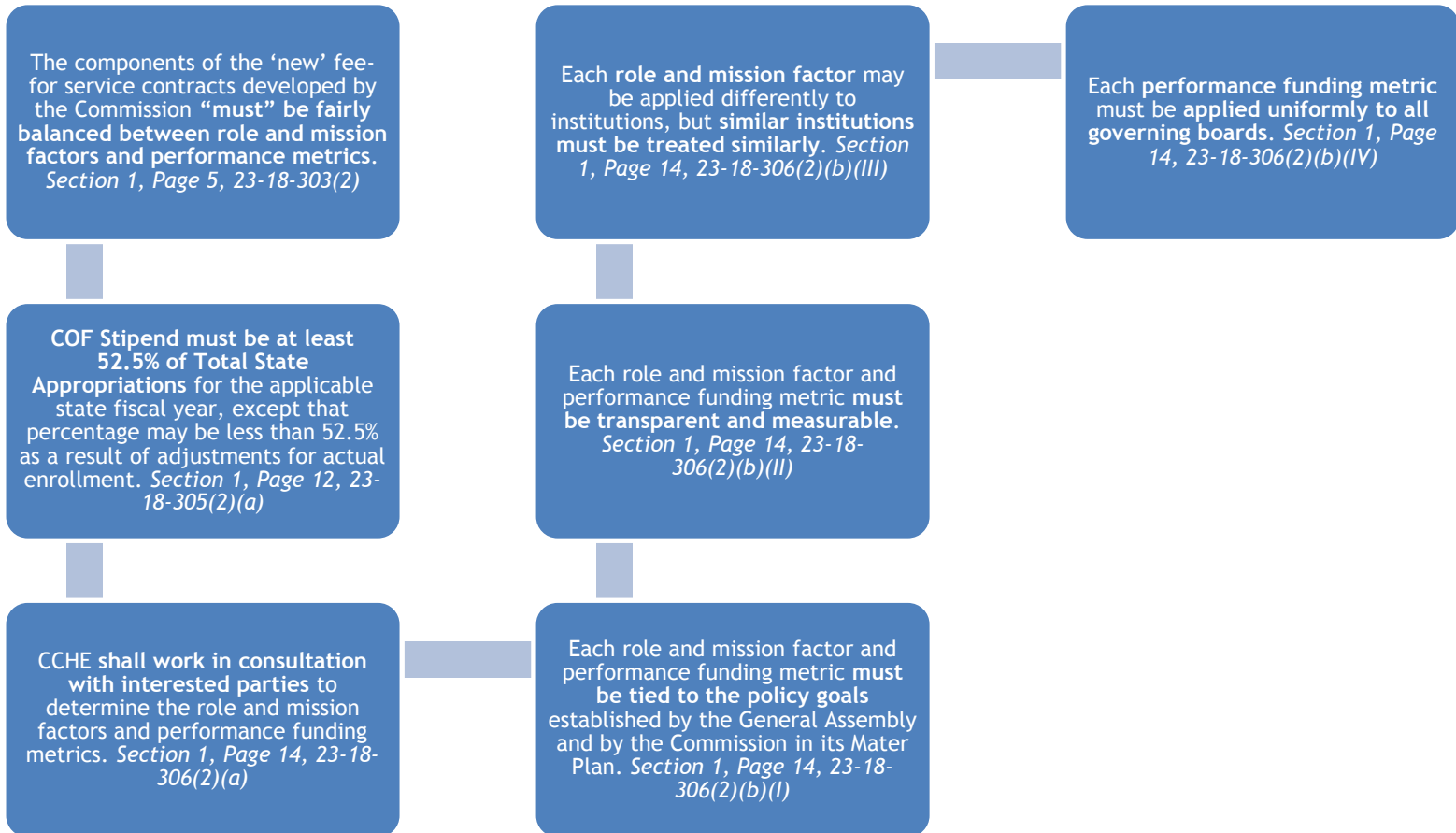
Evaluate Colorado public institutions of higher education on accurate and comparable data.

Respect the individual role and mission purposes of each Colorado public institution of higher education with regard to operational authority and flexibility.

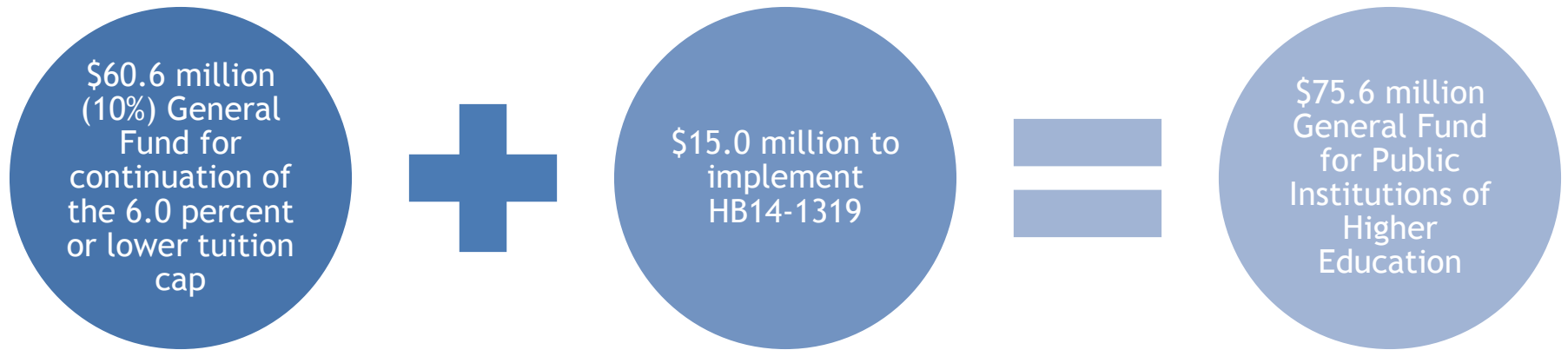
HB 14-1319 Legislative Intent



HB 14-1319 Legislative Directives



Fiscal Year (FY) 2015-16 Budget Request



Feedback from Public Education and Outreach

Affordability

Increasing Completions

Providing Needed
Services to Low Income
and Under Represented
Minority Students

FAMET Recommended Model Overview: Funding Allocations

Increase in Appropriations



FUNDING ALLOCATIONS

Total Appropriations for Higher Education

Full Appropriations	\$665,855,077
Projected Appropriations plus SEP only	\$640,523,963
New Total State Appropriations for Model (TSA)	\$525,682,095
Specialty Ed Programs New	\$114,841,868
Local District Junior College Amount	\$15,449,050
Area Vocational Schools Amount	\$9,882,063

Budget Percentage Increase

10.00%

SEP Additional Increase

0.00%

FAMET Recommended Model Overview: Funding Allocations

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10.00%

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0.00%

Total State Appropriations

FAMET Recommended Model Overview: COF Stipend

COF Stipend

Total Awarded from COF Stipend	\$294,582,075
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Percent of Appropriation Dedicated to COF Stipend

	56.0%
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COF Stipend must be 52.5% or greater.

COF Stipend Rate

COF Stipend per Credit Hour
\$75

COF Stipend Rate, Must be at
least 52.5% of Total State
Appropriations

FAMET Recommended Model Overview: Role and Mission and Performance Allocations

Role & Mission and Performance Allocations

Total in Role and Mission Allocation	\$138,660,012
Total: Performance	\$92,440,008

Role and Mission Split Percentage

60%

Performance Split Percentage

40%

FAMET Recommended Model Overview: Role and Mission

ROLE AND MISSION

Governing Board	Dollars Awarded to Pell	Dollars Awarded to URM	Dollars Awarded to Tuition Stability Factor	Dollars Awarded to Weighted Credit Hours	Total Awarded from Role and Mission
Adams State University Board	\$211,403	\$75,041	\$4,000,000	1,555,590	5,973,333
Colorado Mesa Board	\$553,513	\$125,348	\$1,000,000	3,301,272	5,110,432
Colorado School of Mines Board	\$155,315	\$35,535	\$2,250,000	5,935,977	8,382,828
Colorado State University Board	\$1,502,225	\$420,084	\$1,000,000	19,104,332	22,027,524
Community College System Board	\$5,045,551	\$1,457,555	\$1,000,000	19,115,505	27,628,012
Fort Lewis College Board	\$170,055	\$42,594	\$0	2,344,325	2,557,104
Metro State University Board	\$1,503,703	\$475,459	\$0	5,255,945	10,251,137
University of Colorado Board	\$2,155,755	\$502,025	\$1,500,000	34,555,155	38,555,555
University of Northern Colorado Board	\$555,555	\$157,514	\$5,000,000	5,701,755	13,555,505
Western State Board	\$113,425	\$17,535	\$2,750,000	1,215,515	4,097,175
Grand Total	\$13,325,247	\$3,455,502	\$15,500,000	102,373,254	135,650,012

Pell Carveout
10.0%

URM Carveout
5.0%

Pell-Eligible and URM as a
Percentage of the COF Stipend

FAMET Recommended Model Overview: Role and Mission

ROLE AND MISSION

Governing Board	Dollars Awarded to Pell	Dollars Awarded to URM	Dollars Awarded to Tuition Stability Factor	Dollars Awarded to Weighted Credit Hours	Total Awarded from Role and Mission
Adams State University Board	\$211,403	\$78,041	\$4,000,000	1,885,890	5,973,333
Colorado Mesa Board	\$583,813	\$125,348	\$1,000,000	3,301,272	5,110,432
Colorado School of Mines Board	\$158,315	\$39,538	\$2,250,000	5,938,977	8,382,828
Colorado State University Board	\$1,502,228	\$420,964	\$1,000,000	19,104,332	22,027,524
Community College System Board	\$8,049,851	\$1,457,588	\$1,000,000	19,118,808	27,626,012
Fort Lewis College Board	\$170,085	\$42,894	\$0	2,344,325	2,557,104
Metro State University Board	\$1,803,700	\$478,489	\$0	8,288,048	10,351,137
University of Colorado Board	\$2,188,788	\$802,025	\$1,500,000	34,898,188	38,988,999
University of Northern Colorado Board	\$868,858	\$197,914	\$8,000,000	6,701,735	13,568,508
Western State Board	\$113,428	\$17,938	\$2,750,000	1,215,815	4,097,178
Grand Total	\$13,328,347	\$3,458,502	\$19,500,000	102,373,264	138,660,012

Pell Carve-out
10.0%

URM Carveout
5.0%

Tuition Stability Factor

HB 14-1319 allows the Commission to establish up to two additional factors, including but not limited to, *institutional affordability*.

FAMET Recommended Model Overview: Role and Mission

ROLE AND MISSION

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University of Colorado Board	\$2,188,788	\$802,025	\$1,500,000	34,898,188	38,988,999
University of Northern Colorado Board	\$888,858	\$187,914	\$8,000,000	6,701,735	13,556,505
Western State Board	\$113,408	\$17,938	\$2,750,000	1,215,815	4,097,178
Grand Total	\$13,328,347	\$3,458,502	\$19,500,000	102,373,264	138,660,012

Pell Carve-out
10.0%

URM Carveout
5.0%



FAMET Recommended Model

Overview: Performance

Transfer Weight
0.25

Certificate Weighting
0.25

Associate Weight
0.5

Baccalaureate Weight
1

Grad. Certificate Weight
0.25

Master Weight
1.25

Specialist Weight
1.25

Doctorate Weight
1.25

PERFORMANCE

Governing Board

Dollars Awarded to Completion and Retention

Adams State University Board	\$885,918
Colorado Mesa Board	\$1,783,202
Colorado School of Mines Board	\$1,843,221
Colorado State University Board	\$10,108,570
Community College System Board	\$12,790,887
Fort Lewis College Board	\$1,117,738
Metro State University Board	\$5,215,357
University of Colorado Board	\$17,432,939
University of Northern Colorado Board	\$3,874,925
Western State Board	\$832,278

Completion Weight
85%

Retention Weight
15%

URM Bonus
1.5

Pell Bonus
1.5

Priority Bonus
1.5

Total Weighted Completions



Completion/Transfer Weights by Level

FAMET Recommended Model Overview: Performance

Transfer Weight
0.25

Certificate Weighting
0.25

Associate Weight
0.5

Baccalaureate Weight
1

Grad. Certificate Weight
0.25

Master Weight
1.25

Specialist Weight
1.25

Doctorate Weight
1.25

PERFORMANCE

Governing Board

Dollars Awarded to Completion and Retention

Adams State University Board	\$885,918
Colorado Mesa Board	\$1,763,202
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Fort Lewis College Board	\$1,117,738
Metro State University Board	\$5,215,357
University of Colorado Board	\$17,432,939
University of Northern Colorado Board	\$3,674,925
Western State Board	\$632,278

Total Weighted Completions



Completion Weight
85%

Retention Weight
15%

URM Bonus
1.5

Pell Bonus
1.5

Priority Bonus
1.5



Population and Priority Bonus
UG Completions and Transfers

FAMET Recommended Model Overview: Performance

Dollars Awarded to Volume
Adjusted Awards

Dollars Awarded to Performance

\$4,064,028	\$4,971,844
\$2,958,480	\$4,721,692
\$4,062,028	\$2,938,149
\$4,019,374	\$14,125,944
\$2,365,758	\$15,156,818
\$3,772,988	\$4,890,724
\$3,657,082	\$8,872,438
\$3,999,781	\$21,432,700
\$4,038,815	\$7,710,740
\$3,968,884	\$4,621,182

Volume Adjusted Performance

Volume Adjustment Factors

Awards per SFTE	\$38,576,003
Completion & Retention	\$55,484,005
Total: Performance	\$92,440,008

Two-Pass Total on SFTE

100.27307

Volume Adjustment
40%

Volume Adjustment Total
100.27307

Volume Adjusted Performance
as % of total performance
funding

FAMET Recommended Model Overview: Final Output

FUNDING BY GOVERNING BOARD

Governing Board	Total Awarded from COP Stipend	Total Awarded from Role and Mission	Dollars Awarded to Performance	Total Allocation from Model	Total Allocation with SEP	Previous Year's Allocation	Percentage Change
Adams State University Board	\$3,014,775	\$5,973,333	\$4,971,844	\$13,959,952	\$13,959,952	\$12,837,321	8.75%
Colorado Mesa Board	\$14,609,400	\$5,110,432	\$4,721,692	\$24,441,524	\$24,441,524	\$22,027,253	10.99%
Colorado School of Mines Board	\$6,291,600	\$8,382,828	\$5,936,149	\$20,610,577	\$20,610,577	\$18,669,466	10.40%
Colorado State University Board	\$44,015,100	\$22,027,524	\$14,125,944	\$80,168,567	\$133,499,085	\$73,499,160	9.08%
Community College System Board	\$109,407,525	\$27,626,012	\$15,156,616	\$152,190,153	\$152,190,153	\$137,465,917	10.71%
Fort Lewis College Board	\$4,545,825	\$2,557,104	\$4,890,724	\$11,993,653	\$11,993,653	\$10,594,613	13.21%
Metro State University Board	\$31,613,100	\$10,351,137	\$8,872,438	\$50,836,675	\$50,836,675	\$43,681,225	16.38%
University of Colorado Board	\$61,134,600	\$38,965,959	\$21,432,700	\$121,533,258	\$183,044,608	\$111,178,395	9.31%
University of Northern Colorado Board	\$17,177,550	\$13,568,506	\$7,710,740	\$38,456,796	\$38,456,796	\$37,357,034	2.94%
Western State Board	\$2,772,600	\$4,097,178	\$4,621,162	\$11,490,940	\$11,490,940	\$10,585,430	8.55%

Percentage Change from Prior
Year

What is Still Needed

Application of Guardrails

- Required by Legislation
- Five-Year Period to Transition
- Will bring all institutions to at least 5% and no greater than 10%
- Remains to be programmed in



Questions



COLORADO
Department of
Higher Education